



Southern California Association of Governments

RTP Development Framework

Challenges and Proposed Approach

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As we move towards developing the draft RTP, we must recognize the challenges facing the region

- **Funding**
- **Unmet needs**
- **SAFETEA-LU requirements**
- **Air quality conformity**
- **System performance (just discussed)**
- **Proposed RTP development framework**

Funding Challenges

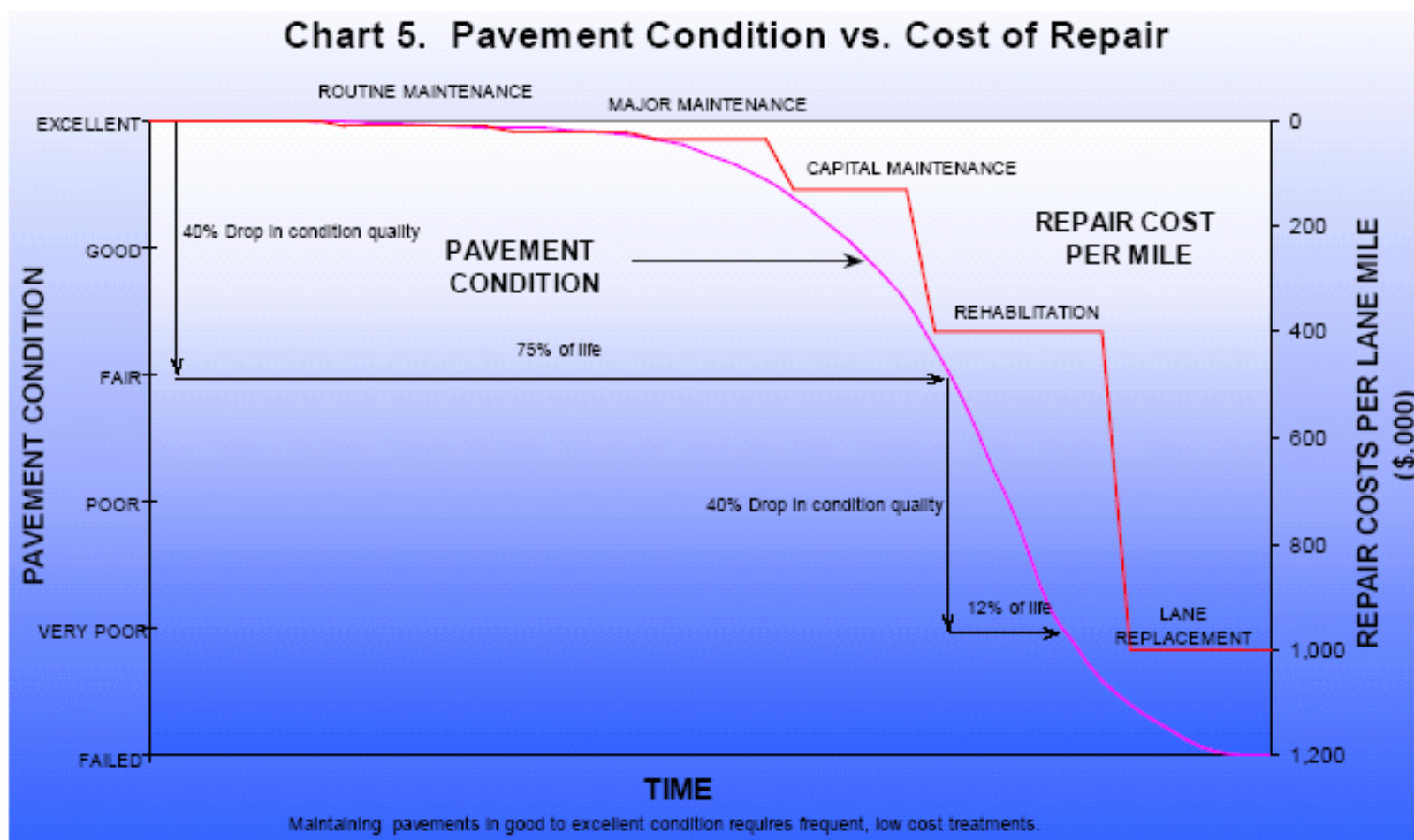
- **Revenues projected through 2035**
- **Projects were compiled from stakeholders long range plans through 2030**
- **Despite the horizon year differences, all or almost all of the \$240 billion revenues (in \$2007 dollars) are fully allocated:**
 - **Committed projects (Baseline)**
 - **Projects that have received environmental approvals (Tier 2)**
 - **Planned projects beyond Baseline and Tier 2 (even if only partially funded in long range plans)**

Unfunded Needs Challenges Preservation and Operations

- **State Highway Operation and Protection Plan (SHOPP) – 10 Year Analysis**
 - Statewide needs identified in the 2005 Plan were \$29.7 billion
 - Statewide needs identified in the 2007 Plan increased to \$55 billion
 - Funding is expected to be around \$2.5 billion annually
 - Full funding of the needs would require an additional \$3 billion annually

- **Counties and cities have identified additional shortfalls for the local arterial and street systems**
 - Los Angeles County identified unmet needs of close to \$2B (in 2002 dollars)
 - Orange County estimated unmet needs of between \$300M and \$700M over the next 15 years

Preservation needs will likely grow over time unless we address needs in a timely manner



Unfunded Needs Challenges Special Projects (most included in previous RTPs)

- **Goods Movement**
 - High Capacity Corridor (e.g., truck lanes)
 - Rail Expansion/Grade Separations/Emission Reduction strategies
 - Inland/Agile Port
- **710 Tunnel**
- **IOS High Speed Rail**
- **Additional Transit Investments to Support Growth Strategy**
- **High Desert Corridor**
- **Although we do not have final estimates for each project, it is safe to say that the unmet needs of these projects will likely be in the tens of billions.**

SAFETEA-LU and Air Quality Challenges

Fiscal Constraint Scrutiny and Stringent Attainment Requirements

- **Assumptions for self-financing must be backed up with detailed funding plans to demonstrate fiscal constraint**
- **To date, none of the analyses conducted suggest that any of these projects can be fully funded without significant public sector financial contributions**
- **Although SCAG has not received its “official” emission budgets, attainment years are near and the reductions needed are significant**

Proposed RTP Development Framework

➤ Development of a Core RTP

- Includes all projects that are funded (Baseline, Tier 2, and Planned)**
- Includes approved growth strategy to help with air quality and performance**
- Includes low-cost transit enhancements that support approved growth strategy**
- Meets conformity**

Proposed RTP Development Framework

- **Development of an Expanded RTP**
 - Includes the Core RTP
 - Includes additional funding to address some or all of the unmet needs (depending on policy guidance)
 - State Gasoline Tax (or equivalent) increase – can finance preservation, some of the State Highway System investments (e.g., truck lanes, 710 tunnel, High Desert Corridor)
 - TEU Fee – can help finance freight and goods movement projects
 - Countywide Mitigation Fee Programs– can help provide local contribution to many of the projects
 - Tolls – can help finance corridor specific projects (e.g., High Desert Corridor, truck lanes)
 - Private sector (PPP) – can help finance mutually beneficial projects (e.g., rail strategies)

Ramifications of this proposed approach

- **The FHWA/FTA should, at a minimum, approve the Core RTP. This would allow the projects in the pipeline to progress normally**
- **SCAG would identify specific milestones for each project/investment in the Expanded RTP**
- **SCAG would ask the FHWA/FTA to allow projects in the Expanded RTP to progress to the extent certain milestones are met successfully**
- **We plan to propose this approach to the TCC on August 30th, so your feedback would be appreciated!**